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SIPDIS

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TAGS: [PGOV](#) [PREL](#) [PBTS](#) [TU](#) [AJ](#) [AM](#)
SUBJECT: COOL-HEADED OPPOSITION ACKNOWLEDGES SARGSIAN'S
LIMITED VULNERABILITY ON TURKEY-ARMENIA NORMALIZATION

Classified By: AMB Marie L. Yovanovitch, reasons 1.4 (b,d).

SUMMARY

11. (C) At a reception hosted September 15 by the Ambassador, PolOffs heard from leaders of the opposition Armenian National Congress (ANC) and independent observers that the normalization process with Turkey, by itself, posed little risk to Serzh Sargsian's rule. A small minority of nationalists may continue to rage, but given Sargsian's firm control of both parliament and the security ministries, he faces little political vulnerability on the issue, as long as he steers clear of any appearance of linked "concessions" on Nagorno-Karabakh. Some said that other factors -- such as the continuing economic crisis and higher gas prices this winter -- could combine with a failure on rapprochement to weaken the president. But if Turkey does not open the border, Sargsian will protect his flanks by blaming and demonizing the Turks for the diplomatic failure, pushing the possibility of rapprochement off for another decade or so.
END SUMMARY.

SITUATION DIFFERENT FROM 1998 WHEN LTP OUSTED

12. (C) Alexander Arzumanyan, foreign minister from 1996-98 under Armenia's first president, Levon Ter-Petrossian (LTP), and a recently amnestied political detainee, said he backs normalization in principle and thinks the President's current efforts do not pose a threat to his grip on power. In a sobering reference to LTP's abrupt fall from power in 1998 for floating the idea of concessions in settling the Nagorno-Karabakh (NK) conflict, Arzumanyan said Sargsian currently wields complete control over the parliament and the security services, which was not the case in 1998 when Armenian MPs, then Interior Minister (and current president) Serzh Sargsian, and then-Defense Minister Vazgen Sargsian all turned on LTP. Arzumanyan bemusedly commented that "now all those who called us traitors back then on Karabakh are advocating our (the LTP administration's) approach on normalization with Turkey," and that the current heads of security agencies are all squarely in the Sargsian camp.

ANC LEADERS ON THREATS TO SARGSIAN REGIME

13. (C) Levon Zurabian, coordinator of the Armenian National Congress (ANC), said Sargsian's regime would eventually fall, but not necessarily over the Turkey-Armenia normalization process. He said the oncoming winter and the increased gas prices Armenians would have to pay to heat their homes, the worsening of the economic crisis and loss of jobs, and the Turkey-Armenia talks would combine to damage Sargsian's credibility and loosen his grip on power. (COMMENT: In the fall of 2008, LTP essentially made the same argument about

Sargsian, which Sargsian obviously proved wrong. END
COMMENT.)

14. (C) Stepan Demirchian, leader of the opposition People's Party and another key ally of LTP's in the ANC, said he didn't view the normalization process as representing a mortal danger to Sargsian. He stated that there are "many people" in Armenia who want to have relations with Turkey. But he warned that the issue still carried significant sensitivities, in that "almost every Armenian family was affected" by the events of 1915. Demirchian scoffed at the political consultations that President Sargsian is conducting, deriding them as "a show." He said he and other leaders of ANC member parties had been invited to attend, but did not go. Zurabian also disparaged the consultations, claiming they carried "no weight whatsoever," due to the fact that an illegitimate president was conducting them, and because Sargsian had no intention of actually factoring political parties' concerns into his calculations on normalization.

THINK TANKERS ALSO SKEPTICAL

15. (C) Alexander Iskandarian, Director of the Caucasus Institute think tank, called the notion that Sargsian could be in big trouble if things go south on Turkey-Armenia a "myth of the Armenian press." "Even the (nationalistic) Dashnak party elite admit, off the record, that opening the border would be OK," since they recognize the security and economic gains it would bring, Iskandarian said. Echoing Zurabian, he believed the President's greater vulnerability

could come from failing to pull the country out of the economic crisis. Karen Bekarian of the European Integration think tank predicted that failure on rapprochement would put Sargsian in a tough spot, but that he would get through it by aggressively blaming the Turks for the breakdown, marshalling the media and other resources at his disposal to radicalize attitudes toward Turkey. "It's the only way he could justify failure," Bekarian added. This strategy would put Turkey-Armenia rapprochement on ice for years, he said.

COMMENT

16. (C) Sargsian is staking his presidency on rapprochement. If successful, he will have secured his place in Armenian history, although not everyone will view his achievement favorably. If the process blows up, Sargsian will be subjected to charges of diplomatic incompetence. He could be hamstrung in pursuing other foreign policy priorities. But LTP's fate -- forced resignation -- is not likely something Sargsian will be worrying about.

17. (C) It seems clear, however, that Sargsian does worry about the growing divergence on this issue between Armenia's official position and the prevailing view in the Diaspora. This concerns accounts for his abrupt decision to embark on a whirlwind Diaspora tour (in the U.S., France, Lebanon, and Russia) in advance of the signing of the protocols. Although we believe the ANC and commentators are right that the current political constellation in Armenia probably doesn't pose a risk if Turkey-Armenia fails, Sargsian is well aware that things can change quickly and that "non-conventional" threats to leaders in this part of the world -- including physical threats -- are to be taken seriously.
PENNINGTON